
Details from Each Chamber



HOUSE OF REPRESENTATIVES

This week, the House of Representatives approved a \$22.7 billion budget. The budget includes increases for public-safety agencies - including a 3 percent raise for officers at state prisons, and \$100 million for needed repairs to roads and bridges.

Below are links to the budget, capital reserve fund appropriations, and provisos. We have also included a summary of the House budget debate and notable amendments. The Senate will consider the budget later in April.

When reading the budget, it is important to recognize that it is separated into two sections: Part 1A (Annual Funding) and Part 1B (Temporary Provisos).

[General Appropriations](#)

[Capital Reserve Fund](#)

[House Ways and Means Committee Proviso Summaries](#)

House Budget (H.3710) Major Funded Areas

**Information courtesy of the State Newspaper*

- \$182 million for local governments. Last week, lawmakers passed a law suspending the

- State requirement that requires the State to pay more to local governments.
- \$100 million for Statewide infrastructure projects.
- \$175 million in new money for K-12 education to increase the per-student spending from \$2,012 to \$2,101.
- \$80 million for the Republican alternative to the Affordable Care Act.
- \$45.2 million for cyber security following the Department of Revenue data breach to pay for credit monitoring and a Statewide Cyber Security plan.
- \$18 million for the Department of Corrections, which includes pay raises for officers.
- \$9.2 million for the Department of Juvenile Justice to recuperate from lost federal funds.

Part 1A (Annual Funding) Adopted Amendments

- \$500,000 to SCETV in order to receive awarded grant money.
- New FTEs to the College of Charleston. This amendment uses State funds to pay for academic positions at the institution.
- \$75,000 to the University of South Carolina Poison Center Hotline.
- Additional money for classified positions, employer contributions and operating expenses for the Patriot Point Development Authority.
- \$100,000 toward Barnwell County Court House repairs.
- Technical amendment to the Commission on Indigent Defense.
- Amendment to decrease the amount of money for the Law Enforcement Training Center.
- \$100,000 decrease to the Education Oversight Committee.
- \$1.5 million shifted within the Department of Employment and Workforce operating funds to their rural centers.
- Delete a public relations position and salary at the Infrastructure Bank Board.

Part 1B (Temporary Provisos) Adopted Amendments

- Create the Alternative Fuel School Bus Pilot program.
- Proviso for the State Charter School District to receive more data on attendance.
- Require First Steps to implement recommendations of the Legislative Audit Council.
- Give teachers flexibility on the National Boards.
- Allow the use of funds for high achieving students to be used for academic enrichment activities.
- Allow the National Guard to carry forward money for tuition assistance.
- Require the Department of Health and Environmental Control to spend \$1 million for beach renourishment at Folly Beach.
- Use funds from the Solid Waste Management Trust Fund for local government grants for electronic waste processing.
- Use \$170,500 for the National Alliance on Mental Illness SC for crisis intervention training.
- Move language to sell the Farmers Market to the Capital Reserve Fund.
- Develop regulations, using existing funds in the Department of Natural Resources, in conjunction with the U.S. Fish and Wildlife Service, to allow public participation in Cormorant control activities on Lake Marion and Lake Moultrie.
- Use Department of Commerce funds for Regional Economic Development Organizations that added the I-77 Alliance.
- Allow attorneys to carry cell phones in court.
- Review outsourcing at the Department of Transportation.
- Authorize the Department of Transportation to use \$250,000 towards the completion of the Final Environmental Impact Statement for the Hurricane Evacuation route in Horry

- County.
- Allow for permit negotiations between the city of Hanahan, the Department of Transportation and the United States Army Corps of Engineers.
 - Create a panel to study technology in public schools and to make recommendations on the distribution of technology funds.
 - Authorize the Office of the Adjutant General to hire a mental health care facilitator/coordinator.
 - Require the Insurance Reserve Fund to file an annual report with the Senate Finance and the House Ways and Means committees.
 - Require that funds designated to Richland County must be used to purchase new ADA compliant voting machines.
 - Provide dates for specifying bridges in the STIP.

Noteworthy Proviso Discussions

Medicaid Expansion: Representative Cobb-Hunter (D-Orangeburg) and others offered a proviso providing for Medicaid expansion for one year pursuant to the federal Affordable Care Act. House Minority Leader Rutherford (D-Richland) spoke at length and said Democrats supported the GOP alternative plan but urged them to come up with a solution to get more federal healthcare funds. He said their plan did not do enough and thought that funds received by expanding would help. Others mentioned the burden on the poor and economic impact on hospitals if the State did not expand. Representative James Smith (D-Richland) and others talked about the other Republican governors around the country who were supporting expansion efforts and encouraged House leaders not to refuse the idea simply for political reasons.

Representative Murrell Smith (R-Sumter) said expansion would cost more money than they could budget, and that they needed to reform the system. He mentioned that money from Health and Human Services was redistributed and should reduce the cost of health care to citizens on Medicaid. He referenced the fact that 24% of the State budget was currently going to Medicaid and that more people were being enrolled.

The proviso was tabled by a vote of 73-45 after several hours of debate.

Representative Robert Brown (D-Charleston) offered an amendment for Medicaid expansion up to 138% of poverty. It was tabled. Representative Cobb-Hunter (D-Orangeburg) offered a proviso to expand for one year which was tabled. Representative Mitchell (D-Spartanburg) offered a proviso requiring legislators who opposed expansion to opt out of their state health plan and write a letter to their constituents. He called it "legiscare." It was also tabled.

Roads: Representative Ballentine (R-Richland/Lexington) proposed a proviso to set aside money for statewide infrastructure development in the event the Board of Economic Advisors increase the revenue forecast. After lengthy debate, the proviso was withdrawn.

Scholarship Scale: Representative Stavrinakis (D-Charleston) offered a proviso to use a 100 point scale to determine the eligibility of students awarded merit-based scholarships of Palmetto Fellows and Life. Students would remain eligible as long as they keep a grade average of 80. The House adopted this proviso to change from a 4.0 scale to a 100 point scale.

Tax Credits: Representative Cobb-Hunter (D-Orangeburg) offered an amendment to allow a refundable state individual tax credit equal to five percent of the federal earned income tax credit. The amendment was tabled.

Capital Reserve Fund (CRF) - H.3711

Representative Norman (R-York) offered an amendment to increase school bus lease funds to \$13.5 million and to remove the \$3 million for the Farmer's Market. The amendment was tabled. Representative Simrill (R-York) offered an amendment to put restrictions on the purchase of the Farmer's Market. The amendment was adopted.

Ways and Means Committee Chairman Brian White (R-Anderson) offered an amendment to continue to provide consumer protection for citizens whose financial information was compromised in the Department of Revenue security breach for one additional year. The amendment was adopted.

Representative Limehouse (R-Charleston) offered an amendment to give Winthrop University a change of designation of \$750,000 for roof replacement. The amendment was adopted.

Representative Limehouse also offered a proviso to prioritize projects for workforce development. The House version allocated \$5.5 Million for TEC's system-wide infrastructure and workforce development. The proviso excludes distribution of these funds for Central Carolina Technical College. The proviso was adopted.

SENATE

Superintendent of Education

The Senate met this week in regular session, where they spent a large portion of their time discussing [S. 53](#), a bill calling for a referendum to make the State Superintendent of Education a gubernatorial appointment. Supporters of the bill say that allowing the Governor to appoint the Superintendent would make education a greater focus in the Governor's office. However, some Senators oppose the idea, saying that the plan would only politicize education. The measure failed 27-16. A two-thirds vote was needed for the bill to pass. However, one of the bill's proponents, Senator Larry Martin (R-Pickens) switched sides as he realized the bill was not going to pass. This decision gives him the opportunity to ask for a vote to reconsider at another time.

Senator Sheheen (D-Kershaw) offered multiple amendments that would make the Adjutant General and Commissioner of Agriculture appointed positions, and would eliminate the Secretary of State and Comptroller General altogether. All of the amendments were tabled.

Cyber Security

The Senate Finance Cyber Security Subcommittee gave a favorable as amended report Tuesday to [S. 334](#), the cyber security and identity theft bill. Senator Bryant amended the bill to define identity theft and add products and services to notify fraudulent activity.

Public School Choice

The Senate Education Committee met Wednesday morning and gave a favorable as amended report to [S. 313](#), to establish a school district choice program and an open enrollment program within the State's public school system.

Early Voting

The Senate gave preliminary approval to [S. 4](#), a bill that would allow South Carolinians to cast ballots a week before an election. Currently, voters can cast absentee ballots up to 30 days in advance of an election if they can prove one of 18 reasons. The bill passed 34-5, but still needs a third reading next week before it can be sent to the House.

Economic Development Bill

The Senate passed, [S. 262](#), the High Growth Small Business Job Creation Act. The bill provides nonrefundable income tax credit of thirty-five percent for emerging high-growth enterprises in the areas of manufacturing, processing, wholesaling, software development, IT services, and research and development. The bill now goes to the House.

Automotive Franchise Bill

[S. 382](#), a bill by Senator Grooms amending automobile franchise laws, passed the Senate this week. The Senate adopted a substitute amendment embodying a compromise that had been reached by the automobile dealers and automobile manufacturers. S. 382 now goes to the House.

The Governor's Office



Governor Nikki Haley cancelled most of her appointments this week after her mother was hospitalized. The reason for her mother's hospitalization was not released. The Governor resumed her schedule on Thursday with a trip to Florida to speak at the National Association of Manufacturers Board of Directors meeting. Representatives of more than 100 companies were expected to attend.

Newly Introduced Legislation



BANKING/FINANCE:

[S. 510](#) Coleman: TO PROVIDE THAT A FEDERALLY CHARTERED OR STATE-CHARTERED BANKING INSTITUTION DOING BUSINESS IN THIS STATE AND IN AT LEAST ONE OTHER STATE, AS A CONDITION OF ITS AUTHORIZATION TO DO BUSINESS IN SOUTH CAROLINA, SHALL FILE A WRITTEN CONSENT WITH THE SECRETARY OF STATE WHEREBY THE INSTITUTION, ON BEHALF OF ITS OFFICERS, AGENTS, AND EMPLOYEES NOT LOCATED IN SOUTH CAROLINA, CONSENTS TO THE ACCEPTANCE OF AND RESPONSE TO SUBPOENAS - Referred to the Committee on Banking and Insurance.

CORPORATE:

[S. 511](#) Campsen: RELATING TO THE FOUR PERCENT SPECIAL ASSESSMENT RATIO - Referred to the Committee on Finance.

ECONOMIC DEVELOPMENT/TAX:

[S. 526](#) Campbell: TO ALLOW A REFUNDABLE INCOME TAX CREDIT TO A DIGITAL MEDIA COMPANY PRODUCING A STATE-CERTIFIED PRODUCTION EQUAL TO TWENTY-FIVE PERCENT OF THE BASE INVESTMENT MADE BY THE DIGITAL MEDIA PRODUCTION COMPANY IN THE TAXABLE YEAR - Referred to the Committee on Finance.

EDUCATION:

[S. 516](#) Peeler: TO ENACT THE "SOUTH CAROLINA READ TO SUCCEED ACT" - Referred to the Committee on Education.

[S. 523](#) Sheheen: RELATING TO COOPERATION BETWEEN CAMPUS POLICE AND THE STATE LAW ENFORCEMENT DIVISION IN CAMPUS DEATH AND CRIMINAL SEXUAL ASSAULT CASES - Referred to the Committee on Education.

EMPLOYMENT:

[S. 531](#) Alexander: TO PROVIDE FOR A MANDATORY PENALTY ON FRAUDULENT OVERPAYMENTS IN CONNECTION WITH UNEMPLOYMENT INSURANCE COMPENSATION - Referred to the Committee on Labor, Commerce and Industry.

ENERGY:

[S. 525](#) Campbell: RELATING TO THE RENEWABLE ENERGY TAX CREDIT INCENTIVE PROGRAM - Referred to the Committee on Finance.

GOVERNMENT:

[H. 3802](#) Funderburk: RELATING TO THE TERMS OF AN AGREEMENT CREATING A REGIONAL COUNCIL OF GOVERNMENT - Referred to Committee on Ways and Means.

[S. 524](#) Massey: RELATING TO RURAL INFRASTRUCTURE FUND GRANTS - Referred to the Committee on Finance.

HEALTHCARE:

[H. 3812](#) Jefferson: TO MEMORIALIZE THE CONGRESS OF THE UNITED STATES TO ENACT SENATE BILL S. 323, THE COMPREHENSIVE IMMUNOSUPPRESSIVE DRUG COVERAGE FOR KIDNEY TRANSPLANT PATIENTS ACT OF 2013 - Referred to Committee on Invitations and Memorial Resolutions.

[H. 3818](#) K. R. Crawford: RELATING TO CLOSED PANEL HEALTH PLANS - Referred to Committee on Labor, Commerce and Industry.

[S. 530](#) Hayes: RELATING TO CLOSED PANEL HEALTH PLANS - Referred to the Committee on Banking and Insurance.

JUDICIAL:

[H. 3804](#) Funderburk: TO DEFINE NECESSARY TERMS, CREATE THE OFFENSE OF CYBERBULLYING, AND PROVIDE PENALTIES FOR VIOLATIONS. - Referred to Committee on Judiciary.

INSURANCE:

[H. 3797](#) Sandifer: TO PROVIDE THAT THE DIRECTOR OF THE DEPARTMENT OF INSURANCE MAY DECLARE A CAPTIVE INSURANCE COMPANY INACTIVE IN CERTAIN CIRCUMSTANCES - Referred to Committee on Labor, Commerce and Industry

REGULATORY:

[H. 3815](#) Sandifer: RELATING TO AN ANNUAL LICENSE FEE FOR AUCTIONEERS - Referred to Committee on Labor, Commerce and Industry.

[S. 514](#) Alexander: TO EXTEND THE EXPIRED LICENSE OF ANY COSMETOLOGIST, ESTHETICIAN, NAIL TECHNICIAN, OR INSTRUCTOR WHOSE LICENSE EXPIRED ON MARCH 10, 2013, UNTIL JUNE 10, 2013 - Referred to the Committee on Labor, Commerce and Industry.

TRANSPORTATION:

[H. 3796](#) Pitts: RELATING TO FEES IMPOSED BY POLITICAL SUBDIVISIONS OF THIS STATE - Referred to Committee on Education and Public Works.

In the Media



Stringer: Reaction 'overwhelmingly positive' to proposed gas tax (3/9/13)

The Facebook and Twitter posts were unforgiving for Rep. Tommy Stringer of Greenville. [Read more.](#)

VP Joe Biden coming to Columbia for May fund-raiser (3/11/13)

Vice President Joe Biden is returning to South Carolina this spring to speak in Columbia, The Post and Courier has learned. [Read more.](#)

SC House rejects Medicaid expansion (3/12/13)

House lawmakers refused to expand Medicaid in South Carolina on Tuesday after hours of debate that echoed the conflicts of class, race and religion. [Read more.](#)

ID theft bill would allow tax deduction for protection services (3/12/13)

South Carolina families might be happy but county officials worried if an identity theft protection bill as now proposed passes the Senate. [Read more.](#)

SC House approves \$22.7 billion budget (3/13/13)

House lawmakers approved a \$22.7 billion spending plan on Wednesday that includes a 3 percent pay raise for corrections officers at maximum security prisons, a 20 percent co pay increase for people on the state health plan and \$40 million to repair roads and bridges. [Read more.](#)

S.C. Senate public-school 'choice' plan advances (3/13/13)

A state Senate bill aimed at allowing children to attend public schools of their choice, whether inside or outside the districts where they live, advanced Wednesday. [Read more.](#)

State business, religious leaders urge immigration reform (3/13/13)

A coalition of leaders from South Carolina business, agriculture, churches and politics this morning implored Congress to enact some type of immigration reform. [Read more.](#)

Prisons, roads big winners in SC House budget (3/13/13)

House lawmakers approved a \$22.7 billion spending plan on Wednesday that attempts to balance the rising costs of health care with the needs of state agencies still reeling from Great Recession budget cuts. [Read more.](#)

SC Senate panel OKs students attending school in another district (3/13/13)

A bill that would allow children to attend the public school of their choice - regardless of where they live - passed a state Senate committee Wednesday. [Read more.](#)

Envision SC: Charleston CEO Anita Zucker advocates creating skills that transfer (3/13/13)

Anita Zucker is a woman of many faces. Recognized as one of the wealthiest people in the world, this former middle school teacher and educator is now the chairperson and CEO of the InterTech Group Inc., a Charleston-based company founded by her late husband, Jerry Zucker; as well as a noted philanthropist, education advocate and business stalwart of the South Carolina's business community. [Read more.](#)

S.C. stays course in developing fuel cell technology (3/13/13)

Ten years ago in his State of the Union speech President George W. Bush called for the development of hydrogen fuel cell technology to help lessen the nation's dependency on foreign oil. Soon afterward speculators swooped into the market and, along with the federal government, poured money into developing the technology. [Read more.](#)

Unmanned aircraft industry poised to grow in S.C. (3/13/13)

The unmanned aircraft industry could create about 750 new jobs in South Carolina, according to a new economic impact study released Tuesday. [Read more.](#)

Fossil Fuel, Nuclear Industries Growing Fearful of Renewables (3/13/13)

The makeup of the electric grid of the future is at stake as the fossil fuel industry continues to falsely underestimate the impact of renewable energy. [Read more.](#)

S.C. Early Voting Bill Would Limit Early Voting (3/13/13)

In a legislative body where Republicans control the agenda - and Democrats are left to settle for crumbs - Democrats are learning what happens when they try to ask for more. [Read more.](#)

Idea of appointing schools chief fails in Senate (3/14/13)

An effort to let the governor choose South Carolina's education chief has failed in the Senate, but supporters vow to try again. [Read more.](#)

House sends \$6.3B spending plan to Senate (3/14/13)

The South Carolina House on Wednesday sent the Senate a \$6.3 billion spending plan for state taxes that boosts school spending, hires law enforcement officers and fixes bridges with load restrictions. [Read more.](#)

Legislators still fuming over cut jobless services (3/14/13)

A state legislator insisted Wednesday that a clause in the House budget plan forces South Carolina's unemployment agency to resume providing in-person help with unemployment benefits in 17 rural offices. But the governor's office is adamant that it does no such thing. [Read more.](#)

Foreclosures slowing in S.C. (3/14/13)

Foreclosures in February were down in South Carolina and across the nation, according to data released by RealtyTrac. [Read more.](#)

SC GOP lawmaker criticized for Medicaid vote, responds (3/14/13)

Kris Crawford, a Florence emergency room doctor, says South Carolina should accept billions of federal dollars to help pay the health-care costs of poor people - also known as Obamacare. [Read more.](#)

SC Senate OKs early voting (3/14/13)

The state Senate gave preliminary approval Thursday to an early-voting proposal that would allow South Carolinians to cast ballots in the week before an election. [Read more.](#)

Meetings and Events



Monday, March 18

10:00 PURC Energy Advisory Council Working Group (Information only)

Tuesday, March 19

5:00 Reception for Representative Todd Rutherford - The Inn at USC

Wednesday, March 20

8:00 Legislative Breakfast, by SC Clean Energy Business Alliance - Blatt 112

5:30 Reception for Representative Bill Sandifer - Palmetto Club

6:00 Reception for Representative James E. Smith - Sheraton on Main

6:00 Legislative Reception, by SC Summary Court Judges' Association - Seawell's

Friday, March 22

10:00 PURC Energy Advisory Council

The Nexsen Pruet State House Update is published as a service to our attorneys, clients, and friends. It is intended to be a high level overview of the weekly activity at the South Carolina State House and does not constitute legal advice regarding any specific situation.

Firm clients who wish to receive individualized legislative updates, bill monitoring, or lobbying services may discuss options with Bob Coble. He can be reached at 803-253-8211 or bcoble@nexsenpruet.com.

Contact: Bob Coble, SC Public Policy & Governmental Affairs Chair
1230 Main Street, Columbia, SC | 803.771.8900



[Forward this email](#)



This email was sent to keichelberger@nexsenpruet.com by tpreston@nexsenpruet.com | [Update Profile/Email Address](#) | Instant removal with [SafeUnsubscribe™](#) | [Privacy Policy](#).
Nexsen Pruet, LLC | 1230 Main Street, Suite 700 | Columbia | SC | 29201